U.S. Army Contracting Command

ACC Commander's Emergency Response Program (CERP) Training Template

DRAFT

Your Name
Expeditionary Contracting Command

22 February 2010

ACC CERP Instructor POC Information

MAJ Your Name

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Your town, TX xxxxx

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Class Room Etiquette

❖ Cell Phones - Off or Silent

❖ Be Punctual -

   At Start of Class and Return from Breaks

❖ Snacks and Beverages are Okay

Commanders and Project Purchasing Officers (PPO) CERP Training Agenda

- Available CERP references
- CERP as a Mission Enabler and CERP Purpose
- CERP Intent and CERP Project Examples
- CERP Keys and Use Guidance
- HQDA EXORD 48-10 CERP Guidance
- Project Funding Approval Authorities
- Project Process and File Requirements
- Project Cycle for CERP projects less than $500K
- Project Cycle for CERP projects more than $500K and less than $1M
- CERP Management in Iraq
- Project Purchasing Officer Roles and Responsibilities in CERP
- Paying Agent (PA) Roles and Responsibilities in CERP
- Project Manager (PM) Roles and Responsibilities in CERP
- Commanders CERP Management Controls

Commanders/PPOs CERP Briefing

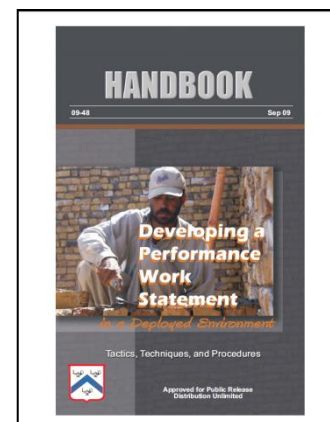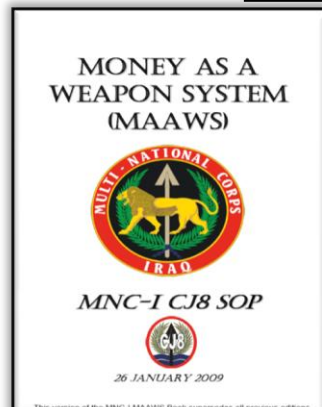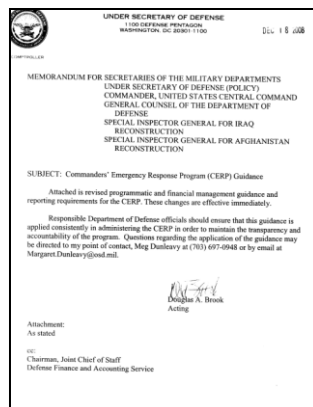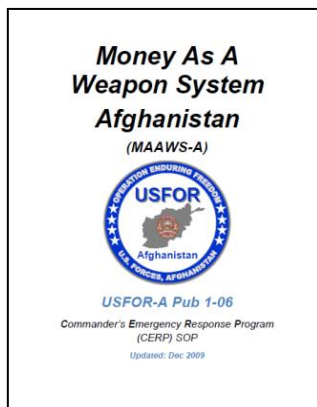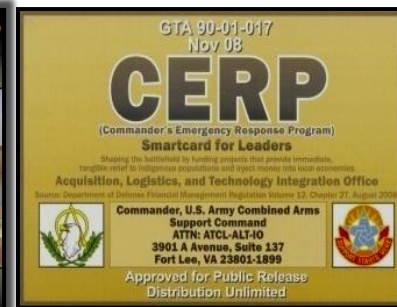• This briefing applies if your unit is deploying to Iraq or Afghanistan and will be allocated CERP funds
• Available references:

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https://www.us.army.mil/suite/files/19939508

AKO OCS Virtual Library:
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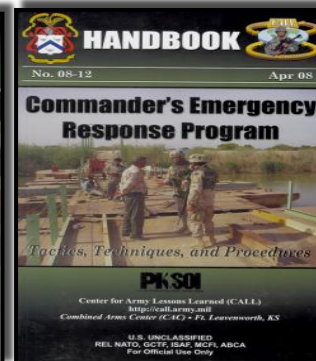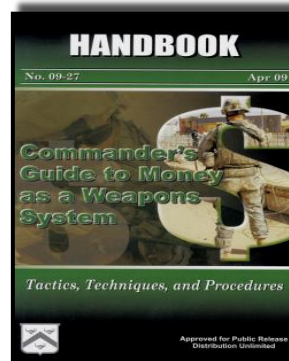
Employing CERP as a Mission Enabler

CERP is a proven effective Non-Kinetic Weapon System that has been highly publicized.

CERP has funded
- Sons of Iraq
- Non-Terrain denial
- Restoration of Essential services
    - Water
    - Electrical
    - Sewage
- Micro-Grants
- Building Civil Capacity

By providing the financial resources to restore normalcy CERP has SAVED SOLDIERS LIVES.

CERP Purpose

- …to enable commanders to respond to ***urgent*** humanitarian relief and reconstruction requirements within their AOR by carrying out programs that will ***immediately*** assist the indigenous population…

- Urgent means any chronic or acute inadequacy of an essential good or service that, in the judgment of the local commander, calls for immediate action.

- Intended for projects that can be sustained by local population (Iraq/Afghanistan).

CERP Intent

- To achieve focused effects while working directly with the Government of Iraq (GoI) or Government of Afghanistan (GIRoA) for <u>project acceptance with follow-on maintenance and sustainment</u> (as required).

  - Prioritize projects that focus on <u>urgent humanitarian relief</u> while providing <u>significant employment opportunities </u>for the indigenous population.

  - CERP funds must be properly accounted for and reported accurately to higher headquarters.

  - The majority of projects should be under $500K.

  - Don't use CERP if other funding is available (NGO, local Gov't, donor nation, etc….)

CERP Project Examples

Reducing Risk of Injury to Local Population

Economic Development

Reconstruction

Critical Equipment for Essential Community Services

Emergency Repairs on Critical Facilities

CERP Keys and Use Guidance

- Keys to success for the Commander:
  - Compete the projects fairly, execute quickly, employ many local personnel, emphasize the benefits to the locale populace , keep the projects highly visible to the local populace.
  - Coordinate and determine project needs with local government agencies, civil affairs elements, engineers, and the Provincial Reconstruction and Development Councils and/or Teams.
  - Maintain command oversight into accountability of funds and project execution.
  - Establish management control program with program metrics to support CERP execution.
  - Close out all projects properly & transfer projects to the proper authority for maintenance

Authorized Uses

- Water and Sanitation
- Agriculture
- Healthcare
- Telecommunications
- Irrigation
- Civic Cleanup Activities
- Food Production/Distribution
- Electricity
- Education
- Transportation
- Rule of Law and Governance
- Civic Support Vehicles
- Repair of Civic/Cultural Facilities
- Economic, Financial, and Management Improvements
- Repair of Damage Resulting form US, Coalition, and Supporting Military Operations
- Condolence Payments
- Protective Measures for Critical Infrastructure Sites
- Other Humanitarian or Reconstruction Projects

Prohibited Uses

– Anything that directly/indirectly benefits U.S. forces, Coalition forces, or supporting personnel (U.S. contractors, etc…)
– Entertainment of local population
– Weapons Buy-back or Rewards programs
– Purchase of firearms, ammunition, or removal of unexploded ordnance (except incidental to approved construction projects)
– Duplicating services available through municipal governments
– Support to individuals or private business (exceptions are possible)
– Conducting phsycological/information operations
– Salaries/bonuses/pensions/operating/training costs of GoI/GIRoA personnel (Army, security forces, police, etc…) There are some exceptions. (see MNC-I MAAWS B3/MAAWS-A CERP SOP)
– Loans to lending organizations/banks
– Purchasing goods or services from any U.S. trade sanctioned nation
– Stipends for Trainees of CERP funded education/training programs

HQDA EXORD 048-10 CERP Guidance for BCTs

• **Designate** at least two PMs, two PPOs, and two PAs NLT LAD-180

• **Train** CERP personnel
  - ▪ Online Training (when developed) NLT LAD-90
  - ▪ Onsite ACC Training at anytime during pre deployment cycle – ACC PPO certificate issued upon completion of all requirements. <u>JCC-I/A training in theater will be required without ACC onsite training.</u>

• **Exercise** key CERP personnel in unit predeployment training events

Iraq CERP Project Approval Authorities

- CERP Policies vary by theater. Check your theater command policy.
- Thresholds are per requirement not per project or item.
- Do not split projects/requirements in order to avoid thresholds
- If more money is required than the original estimate it requires more justifications/approvals
- CERP Funding approval levels vary by the Type & Size of the proposed project.
- Allocate the right amount of funds for desired effect.
- Allow time to get requirements through the funding approval process.
- Reporting Requirements increase as the dollar threshold increases.
- CERP has high visibility and is heavily audited.

Item	Limit	Approval Authority	Can be delegated?
Project Approval	<$500K	MSC Cdr	Yes
Project Approval	≥$500K up to $1M	MNC-I Cdr	No
Project Approval	>$1M up to $2M	SECDEF	Yes (To Deputy SECDEF)
Project Approval	>$2M	SECDEF; must inform Congress within 15 days	No
Condolence/Battle Damage Payments	Up to $2.5K	BDE Cdr	Yes
Condolence/Battle Damage Payments	>$2.5K up to $10K	First G.O. Commander in Chain of Command	No
Condolence/Battle Damage Payments	>$10K	MNC-I Cdr	No
Battle Damage Payments (when IA/IP actions caused damage)	Dollar amount of damage	MNC-I Cdr	No
Iraqi Hero Payment (IA/IP)	Up to $2.5K	BDE Cdr	Yes
Iraqi Hero Payment (IA/IP)	>$2.5K up to $10K	First G.O. Commander in Chain of Command	No
Iraqi Hero Payment (non IA/IP Civ)	Up to $10K	MSC Cdr (All Separate BDEs must seek approval from MNC-I CoS)	No
Micro Grants	Up to $5K	BDE Cdr	Yes
Micro Grants	>$5K up to $10K	MSC Cdr	No
Micro Grants	>$10K	MNC-I Cdr	No

REF MAAWS MNC-I 26JAN2009

Afghanistan CERP Project Approval Authorities

- Project Funds (requested for a specific project)
    - Projects exceeding $500K must be contracted by a warranted contracting officer
    - Projects exceeding $500K must be coordinated with the GIRoA
    - All projects <u>should be coordinated</u> thru local governance officials, PRC, and PRT as applicable
    - Advanced Bulk Funds (General purpose funds for damages, condolence/hero payments, small projects) $25,000 per BN, BN CDR can approve projects up to $5000

- CJTF Commander:
    - Approval authority for all projects less than $2,000,000
    - Signs monthly Status of Funds Statement
    - Appoints in writing CERP Program Manager

- BCT Commander:
    - Appoints Project Purchasing Officers and Pay Agents in writing
    - Approves Projects up to $200,000
    - Approves Condolence/hero payments, micro grants

- BN Commanders:
    - Appoints Project Purchasing Officers and Pay Agents in writing
    - Identifies, staff's and submits CERP Projects for approval
    - Approves Projects up to $25,000
    - Review project result and issue clearance memo for record

REF MAAWS-A CERP SOP DEC 2009

TABLE 1: CERP Approval Threshold Matrix

Item	Limit	Approval Authority	Legal Review Required	USFOR-A CERP SOP Paragraph &/or Annex
Project Approval	Greater than $1M	USCENTCOM Cdr	Yes	Para 5.A.
Project Approval	Up to $1M	USFOR-A DCG-S RC-E Cdr CFSOCC-A Cdr	Yes	Para 5.B-D.
Rule of Law (ROL) Projects	Greater than $500K	USFOR-A Cdr USFOR-A DCG-S	Yes	Para 5.B.
Project Approval	Up to $500K	MEB-A Cdr USFOR-A (S) CoS	Yes	Para 5.E.
Project Approval	Up to $200K	O-6 level U.S. Cdr CSTC-A Cdr	Yes	Para 5.F-J.
Project Approval	Up to $50K	O-5 level U.S. Cdr	Yes	Para 5.K.
Micro-Grants	Greater than $10K	USFOR-A Cdr	Yes	Para 7.G. Annex C
Micro-Grants	Up to $10K	O-6 level U.S. Cdr CSTC-A Cdr	Yes	Para 7.G. Annex C
Micro-Grants	Up to $5K	O-5 level U.S. Cdr	Yes	Para 7.G. Annex C
HA Yard Replenishment	Up to $1M	USFOR-A DCG-S	Yes	Para 5.L-M. Annex D
HA Yard Replenishment	Up to $500K	USFOR-A(S) CoS	Yes	Para 5.L-M. Annex D
HA Yard Replenishment	Up to $200K	JSC-A Cdr (or delegated authority)	Yes	Para 5.L-M. Annex D
HA Requests	see Project Approval Thresholds above		Yes	Para 5.L-M. Annex D
Bulk Funds	Additional $50K to limitation listed below	CoS of O-8 level U.S. Headquarters	Yes (for small-scale projects only)	Para 7.A.-E.; 7.J. Annex K
Bulk Funds	Up to $350K	O-6 level U.S. Cdr (with O-7 level approval)	Yes (for small-scale projects only)	Para 7.A.-E.; 7.J. Annex K
Bulk Funds	Up to $200K	O-6 level U.S. Cdr CSTC-A Cdr	Yes (for small-scale projects only)	Para 7.A.-E.; 7.J. Annex K
Bulk Funds	Up to $50K	O-5 level U.S. Cdr	Yes (for small-scale projects only)	Para 7.A.-E.; 7.J. Annex K
Community Defense Initiative (CDI) Program	Up to $500K	CJSOTF-A Cdr	Yes (for small-scale projects only)	Para 7.A.-F.; 7.J. Annex K
Condolence/Battle Damage (caused by U.S./coalition actions)	Greater than $10K (per person/damaged property)	USFOR-A DCG-S RC-E Cdr	No (unless it's a claim)	Para 7.B.
Condolence/Battle Damage (caused by U.S./coalition actions)	Up to $10K (per person/damaged property)	First U.S. G.O. in the Chain of Command	No (unless it's a claim)	Para 7.B.
Condolence/Battle Damage (caused by U.S./coalition actions)	Up to $5K (per person/damaged property)	O-6 level U.S. Cdr CSTC-A Cdr	No (unless it's a claim)	Para 7.B.
Condolence/Battle Damage (caused by U.S./coalition actions)	Up to $2.5K (per person/damaged property)	O-5 level U.S. Cdr	No (unless it's a claim)	Para 7.B.
Condolence/Battle Damage (caused by ANA/ANP actions)	Dollar amount of damage	USFOR-A Cdr	No (unless it's a claim)	Para 7.B.3.
Afghan Hero Payment (non ANA/ANP Civilian)	Up to $10K	First U.S. G.O. in the Chain of Command	No	Para 7.C.3.
Afghan Hero Payment (ANA/ANP)	Up to $10K	First U.S. G.O. in the Chain of Command	No	Para 7.C.
Afghan Hero Payment (ANA/ANP)	Up to $5K	O-6 level U.S. Cdr CSTC-A Cdr	No	Para 7.C.
Afghan Hero Payment (ANA/ANP)	Up to $2.5K	O-5 level U.S. Cdr	No	Para 7.C.
Former Detainee	$6/day for each day detained	O-5 level U.S. Cdr	No	Para 7.D.

Afghanistan CERP Project Approval Authorities (Cont)

REF MAAWS-A
CERP SOP DEC 2009

CERP Project Process and File Requirements

PPO creates project file & initiates PR&C .

⬇

G8/C8/J8 approves PR&C.

⬇

PPO creates contract and directs contractor to begin work IAW contract

⬇

PA pays the contractor according to contract.

⬇

PA clears finance

⬇

PPO/PA CLEARS G8/C8/J8

Completed CERP File

- CERP Standard Letter of Justification
- MSC Command Endorsement
- Statement of Work/Bill of Quantities
- DA 3953/DD1149
- Memorandum of Concurrence from MND, if non-Battle Space Owner
- Legal Review
- Memorandums of Agreement/ Sustainment Letters for projects in excess of $50K
- DD577 (PPO & PA) and Appointment memorandums
- Copy of Completed Contract/modifications
- Copy of Funds Increase Memo (FIM) as required
- Contract completion statement (if possible)
- Outline of Project Performance Metrics for projects >$50K

- EFT Payment Request (if applicable)
- DD 1081 marked ON ADVANCE
- DD Form 1081 marked ON RETURN
- All SF44s or SF1034
- DD 250 Receiving Report (if contract used)
- Invoice from vendor (if provided)
- Commander's clearance letter
- MSC Comptroller's clearance letter
- Equivalent forms in English with all appropriate signatures
- Screen out all classified documents
- Additional documents as available (i.e. single source justification)

Project Cycle < $500,000

DIV G9, SJA, G8 Reviews

Brigade CDR Endorses

S9, BJA Legal Reviews

Unit submits to Brigade

Provincial Government

PRT

BCT

Project Nomination & Development

Closeout & Delivery
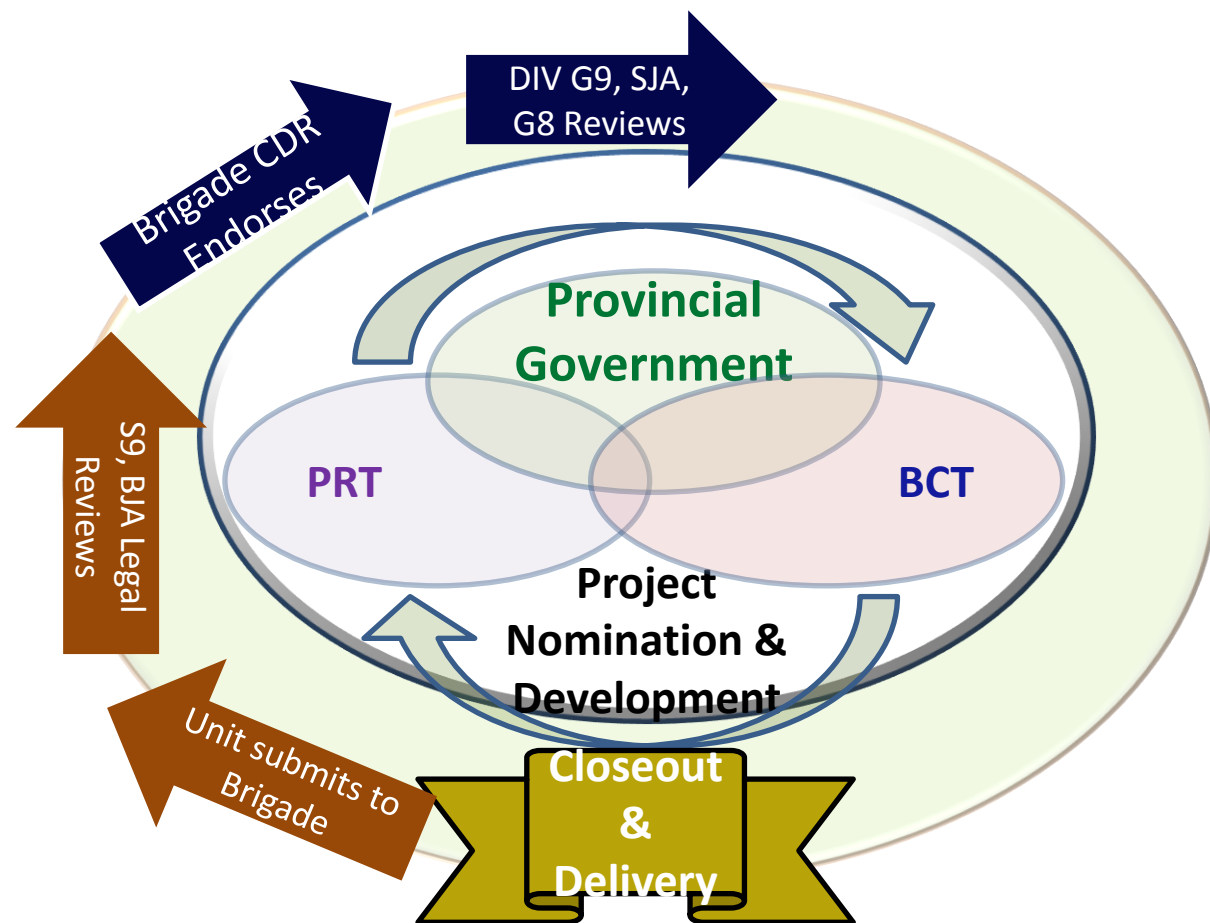
- Reference theater CERP SOP for details.

Key to success:
- Work with the triad (PRT, BCT, Govt) team to select the projects that will have the greatest effect.

- Ensure Projects are in line with Commanders Priorities.

- Allocate funds to create an effect not just to spend money.

Project Cycle > $500,000 < $1M
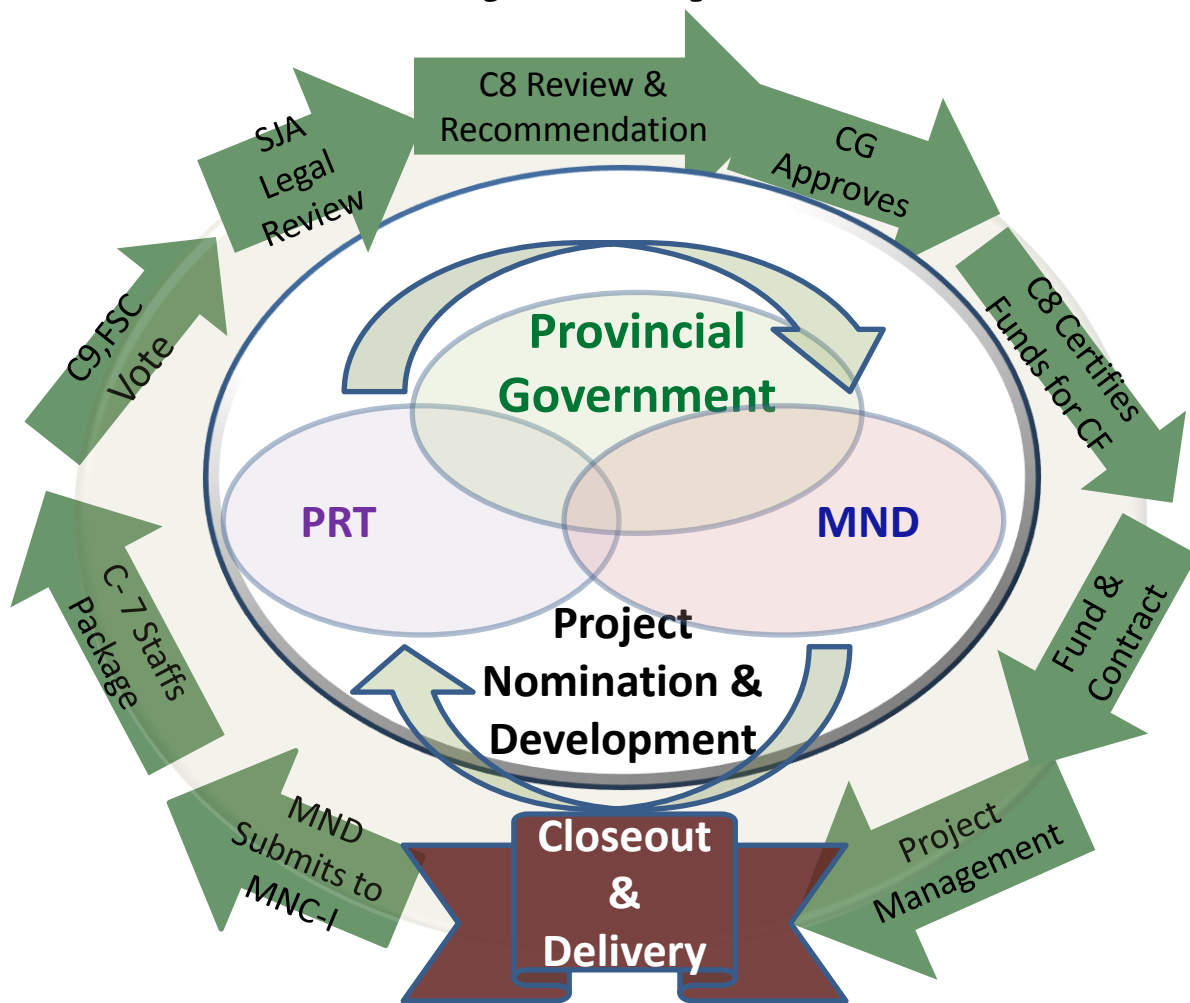
- Projects create a significant effect in the battle space.

- Projects > $500 K are expected to be few in number.

- Approval Process nominally takes 14 days.

- Projects over $1M require SECDEF Approval.

The diagram contains the following cycle labels: SJA Legal Review, C8 Review & Recommendation, CG Approves, C8 Certifies Funds for CF, Fund & Contract, Project Management, Closeout & Delivery, MND Submits to MNC-I, C-7 Staffs Package, C9,FSC Vote. Center: Provincial Government, PRT, MND, Project Nomination & Development.

CERP Management in Iraq

- ## MNC-I Commander
  - Theater oversight of CERP
  - Responsible for publishing guidance, establishing objectives and goals, and reporting to higher
  - Approves projects of $500k to $1M
- ## MNC-I C8
  - Overall program coordinator for CERP
  - Responsible for:
    - Ensuring consistency between functional program managers (C35, C7, &C9)
    - Identifying timelines for program updates
    - Coordinating data calls
    - Coordinating with functional program managers

CERP Management in Iraq (con't)

- 3 Primary Components
  - Humanitarian Assistance
    - MNC-I C9 Functional Program Manager
      - Coordinates the economic benefits and humanitarian assistance for CERP
      - Monitors the Micro Grant program
      - Measures the effects of CERP on local populace
  - Condolence Battle Damage Payments
    - MNC-I C8 Functional Program Manager
  - Reconstruction
    - MNC-I C7 Functional Program Manager
      - Responsible for reporting, policy, monitoring, and overall tracking of reconstruction efforts.

Project Purchasing Officer (PPO) Guidance

• Full time position – PPO responsibility should not be assigned as an additional duty.

• A direct representative of a Contracting Officer.

• Must be a U.S. Government (USG) employee in the rank of E-6 or higher.

• PPO should have keen cash/fiscal management abilities.

• PPO should have above average organizational and recordkeeping skills.

• PPO cannot be assigned as a PA, Field Ordering Officers (FOO), Property Book Officer (PBO), or Property Accountable Officer (PAO)

• Manages individual CERP projects and maintains project files IAW theater CERP guidance.

• Responsible for ensuring that the contractor performs IAW the PWS. Do not start or continue to manage a project that is beyond your technical ability. Consult with or turn the project over to the contracting office, Corps of Engineers (COE), or another technical expert.

• The PPO may be subject to pecuniary liability, and could face administrative actions or criminal prosecution for making prohibited purchases.

• Advance payments to contractors are prohibited per MNCI-MAAWS B-1-8 and MAAWS-A CERP SOP Annex A. Progress payments based on percentage of project completion may be authorized if justified.

• PPO initiates/manages a CERP project – PA pays the bills - don't mix responsibilities.

• Must achieve a fair, accountable and transparent program

• PPOs are trained by the contracting office and appointed by a BN/BDE commander.

PPO Guidance (con't)

PPO WILL

- Negotiate with the contractor for the best value to the Government
- Make contracting decisions based on sound logic and judgment
- Be the technical expert in appropriate functional area and understand the SOW
- Ensure all prices are fair and reasonable
- Document all actions (including verbal discussions)
- Monitor contract performance
- Initiate payment processing
- Consult with the locale contracting office (RCO/RCC) if the proposed project is extremely technical in nature or if unsure as to proper procedures to handle project issues

PPO WILL NOT

- Write contracts for more than $500,000. This threshold may be lowered by command policy. Check with your Command's CERP POC.
- Make any changes to a contract issued by the KO
- Hold the Contractor to a higher standard of work than is required in the contract
- Direct the Contractor to perform extra work
- Direct the Contractor to perform faster than stated in the contract
- Obligate more funds than is authorized on the project PR&C
- Make promises outside the scope of authority.
- Solicit bids from a bad, dishonest company
- Split projects to avoid funding thresholds
- Draw or disperse project funding
- Be assigned as a PA during the PPO assignment period

Paying Agent (PA) Guidance

• Full time position – should not be assigned as an additional duty.

• A direct representative of the servicing Finance office's Disbursing Officer (DO).

• PA training conducted by the local finance office.

• Receives and disburses CERP project expenditures.

• PAs are subject to pecuniary liability for any cash, negotiable instrument, and/or paid vouchers entrusted to them.

PA Roles and Responsibilities (con't)

PA WILL

- Only make purchases that have been approved by the PPO and Certifying Official.

- SF44 rule that the payment can not exceed $25,000 per SF44 does not apply to CERP.

- Make payment to the seller/vendor and get original receipts/invoices for expenses.

- Maintain a ledger to track each payment made.

- Safeguard your funds and paid vouchers.

- Ensure all invoices are correct prior to signature. No corrections are allowed to be made to invoices after signed by vendor.

- Ensure no classified documents are turned in with your clearance packet.

PA WILL NOT

- Use, invest, insure, or gamble public funds.
- Conduct business under duress.
- Mix government funds with personal funds.
- Entrust funds to any other person for any purpose; PA's are not authorized to delegate responsibility for funds to anyone else, including financial institutions.
- Make payments out of terms of contract.
- Leave theater without clearing Finance.
- Attempt to draw funds from another Finance Office with the same PR&C, or without first coordinating with your DO if with a new PR&C.
- If PA's are funded Iraqi Dinars, they cannot exchange the Iraqi Dinar for U.S. currency or other foreign currencies.
- Serve as the PPO during the PA assignment
- Allow anyone else to draw or disburse the PA funds

Project Manager (PM)
Roles and Responsibilities

• PMs at the BCT level are not used in all locations (MAAWS-A CERP SOP addresses PMs at the BCT level but the MAAWS-MNCI does not).

• Major Subordinate Commands(MSCs) have PMs that supervise the CERP program across the MSC AOR.

• PM/PPO duties may be blended in some locations and under some funding thresholds.

• PM must be E-7 or above and appointed in writing by O-5 Commander (MAAWS-A CERP SOP Annex A).

• PMs function is similar to a Contracting Officer's Representative (COR):

  ▪ Commander's representative to ensure a quality project for projects under $500K or the KOs representative for contracting office awarded CERP contracts

  ▪ Can be assigned duties to: fill out SF44, Monitor contractor project status, report on progress to the commander/KO/MSC, prepare project documents, authorize vendor payment, project closeout, and maintaining the CERP project file

• PM Training should include the ACC or ALMC COR training.

Commanders Management Controls

COMMAND OVERSIGHT IS ESSENTIAL TO MAINTAIN FUNDS ACCOUNTABILITY & TO ACHIEVE MAXIMUM RESULTS

Pecuniary Liability:

- Failure to comply with regulations pertaining to the safeguarding of public funds may result in the paying agent officer or Project Officer being held pecuniary liable in the event of a loss of funds, overpayment or improper payment of a contract.

- For example, an individual is peculiarly liable to the government for any loss caused by misconduct or negligence in maintaining proper accounting and/or proper safeguards for the funds entrusted to him/her.

Passive Controls:
- DoD FMR
- MNC-I MAAWS (26 January 2009)
- MAAWS-A (15 May 2009)
- CALL Handbook 09-27 Commanders Guide to MAAWS
- CALL Handbook 08-12 CERP
- GTA 90-01-017 CERP
- Theater/Unit SOP's

Active Controls:
- Command Audits
- PPO/PA Oversight
- Higher Authority Command Inspections
- External Agency Audits

Questions

On the Commanders and PPOs Portion of CERP Training?

Additional Training for CERP PPOs Agenda

- PPO CERP Special Situations
- PPO Reporting Requirements
- PPO Ethical Standards
- PPO Project Information Security
- PPO CERP Functions & PPO CERP Project Flow Chart
- PPO Project Identification Actions & PPO Market Research
- PPO Performance Based Statement of Work Development
- PPO Solicitation Information
- PPO Vendor Performance/Inspection/Oversight Plan
- PPO Project Approval Actions
- PPO Project Funding Actions
- PPO Project Execution Actions & PPO Excluded Parties List System
- PPO Vendor Selections MFR & PPO MOA Information
- PPO Sample SF44 & PPO Sample Ledger
- PPO Project Cancellation Actions
- PPO Project Payment Actions
- PPO Project Closure Actions
- PPO CERP Projects Above the $500K Theater Threshold
- PPO Keys to Success
- PPO Test & ACC CERP PPO Training Certificate

PPO CERP Special Situations

- CERP - affiliated funding:
    - Iraqi CERP (I-CERP)
        - Provided by the GoI in April 2008
        - Projects focus on schools, water purification plants, health clinics, city planning facilities, roads, sewers, and irrigation
    - Iraqi Interim Government (IIG) Funds
        - Previously known as Development Funds for Iraq (DFI)
        - Funds were contributed by the interim government in 2004
    - Nearly depleted…see MAAWS for more information
- Special Uses for CERP
    - Condolence/Battle Damage Payments
    - Iraqi/Afghan Hero Payments
    - Former Detainee Payments
    - Commander's Small Scale Projects
    - Micro Grants
    - CERP Project Ribbon Cutting Ceremony

PPO CERP Special Situations (con't)

- Condolence/Battle Damage Payments:
  - CERP authorizes up to $2.5K payments for each incident of death, injury, or battle damage
  - 1st GO (Iraq) in chain can approve payments of up to $10K per incident for extraordinary cases
  - Paid to express sympathy and to provide urgent humanitarian relief to individual Iraqis
  - Commanders must verify that a claim against USG is not a viable option under the Foreign Claims Act prior to using CERP
  - Condolence payments are not an admission of guilt; they are a symbolic gesture
  - Not a Solatia payment
  - Only for Coalition/US Force caused incident
  - Battle damage for Iraqi Army(IA)/Iraqi Police(IP) caused damage must be approved by the MNC-I Commander

PPO CERP Special Situations (con't)

- ## Iraqi/Afghan Hero Payments:
  - Payment to the surviving spouse or next of kin of IA/IP, or in extraordinary circumstances, government civilians who were killed as a result of US, Coalition, or supporting military operations
  - MoI/MoD/GIRoA make Hero payments for long term assistance. US payments should be minimal and used to provide immediate assistance only
  - Considered a subset of OSD condolence payments
  - Only payable in the event of death
  - Same amount as condolence payments
  - Non-IA/IP casualties
  - Claims attorney must review all Hero payments

PPO CERP Special Situations (con't)

- Former Detainee Payments:
  - Paid to detainees released from Iraq/Afghan detention facilities to provide humanitarian relief to the family and community for time spent in detention
  - Automatic payment of $6 per day of detention in the facility
  - Unless facility commander deems payment not appropriate
  - Not authorized to detainees transferred to Theater Internment Facilities
  - Sympathy wages…not compensation or admission of fault by USG
  - Documentation must be certified by the approver of the project
  - Include recipient's name, date of incident, city and province where incident occurred, detailed description of the extent of the incident

PPO CERP Special Situations (con't)

- Commander's Small-Scale Projects:
  - Enable Commanders to resource multiple small-scale projects that require immediate sourcing
  - Process should be the exception…when operating conditions prevent immediate financial support.
  - $5K Max
  - Follow specific procedures as outlined in MAAWS MNCI or MAAWS-A CERP SOP

PPO CERP Special Situations (con't)

- ## Micro Grants
  - Payments provide financial assistance to disadvantage entrepreneurs engaged in small and micro business activates that support humanitarian relief and reconstruction
  - MAAWS MNCI and MAAWS-A CERP SOP provide detailed guidance

- ## CERP Project Ribbon Cutting Ceremonies
  - Units are authorized to spend up to $500 for light refreshments
  - Requests for exceeding threshold needs higher Commander's approval

PPO CERP Special Situations (con't)

- ## Advance Bulk Funding:

  - Can be used for Commander's Small Scale Projects, condolence, battle damage, detainee, and Iraqi Hero payments

  - NOT AUTHORIZED FOR MICRO GRANTS

  - Allows prior command-approved payments to be made faster

  - Limited to $50K per Battalion in a 2 star-command MSC and $200K total for O6/O7 separate commands

    - Not intended to circumvent the CERP approval process. Commander must approve prior to disbursement

    - CERP Special Uses (see above) are the only instances where multiple payments can be consolidated

    - Each category of payment must be on a separate funding document and documented individually in the CERP Project Tracking System

PPO Reporting Requirements

- Success of CERP = checks and balances
- 3 systems that track CERP information
  - CERP Project Tracking System
    - Spreadsheet containing status of all CERP projects
  - Resource Management Tool (RMT)
    - Commits projects and transmits obligations to STANFINS
  - Army Standard Financial System (STANFINS)
    - Tracks obligations and disbursements against CERP Projects

PPO Reporting Requirements (con't)

Name of Report	Prepared by	Submitted to	Date due
Weekly Status of Funds	MSC G-8s	MNC-I C8	Each Friday
Monthly Status of Funds	MSC G-8s	MNC-I C8	1st of Each Month
CERP Project Tracker Report	MSC G-8s, Coalition Forces , and other units that initiate CERP Projects	MNC-I C8 Special Programs CERP Manager	3rd of Each Month
Monthly CERP Project Tracker	MNC-I C8	USARCENT and HQDA	10th of Each Month
Quarterly CERP Project Tracker	MNC-I	USARCENT and HQDA	10th of Dec, Mar, Jun, and Sep

PPO Reporting Requirements (con't)

- The following will be included on all CERP Project Tracking Reports:

  - Tracking number
  - Unique Requirement Identifier (if used)
  - Unit
  - Project Document Reference Number/STANFINS Document Reference Number
  - Project Category (from Annex 14)
  - Project Title
  - Province where project is located
  - Description (2 or 3 sentences)
    - Special reporting requirements for micro-grants and bulk funding. See MAAWS (pg B-18)
  - Obligation Date
  - Current status of project, projected completion date, completion data. Note whether the project was finished or terminated for other reasons
  - Number of local citizens estimated to benefit from project (if available).
  - Number employed by the project.

PPO Reporting Requirements (con't)

- For all projects over $50K include the following
  - provide justification for the project (how the project supports the purpose of CERP)
  - Identify date project was/will be transferred to the GoI and whether the GoI has committed to project sustainment (See MAAWS for specific guidance. pg B-18)
- For all projects over $500K include the following
  - Identify the amount of funds, if any, provided by GoI
  - Note whether the project includes benefit to internally displaced citizens
- For all projects over $750K include the following
  - Note whether it was approved by MNC-I Commander for funding based on cost-sharing with GoI or based on direct benefit to the US mission

PPO Ethical Standards

- Standards of Conduct
  - Integrity must be above reproach
  - Steward of American taxpayer's money
  - Thou Shall not solicit or accept anything of monetary value from any vendor or contractor (gifts, money, job offers, "favors", etc…)
- PPO Liabilities
  - Pecuniary and Legal Liability - Failure to comply with regulations pertaining to the safeguarding of public funds may result in the Paying Agent or Project Purchasing Officer being held pecuniary liable in the event of a loss of funds, overpayment or improper payment of a contract
    - UCMJ action
    - Personally liable if you:
      - Fail to comply with regulations
      - Are Negligent in maintaining accountability of funds
  - For example, a PPO is pecuniary liable to the government for any loss caused by misconduct or negligence in maintaining proper accounting and/or proper safeguards for the funds entrusted to him/her.
- SF 44s are an accountable item – don't lose them. Your are accountable for all forms.

PPO Project Information Security

• Project Information is always sensitive data

• Do not share project data with anyone except the CoC, Quality Assurance Personnel, and the prime contractor (listed on the your MOA) employees

• Insurgent forces target contractors who do business with the U. S. Government and coalition allies.

• Disclosure of contractor company names identifies these firms as doing business with the U. S. Government and can place the lives of the companies' employees and their families at risk.

PPO CERP Functions

- Six steps of a CERP project
  - Project identification
  - Project approval
  - Project funding
  - Project execution
  - Project payment
  - Project closure

U.S. Army Contracting Command

Project Identification	Project Approval	Project Funding	Project Execution	Project Payment(s)	Project Closure

Apply CERP & COIN Principles

CERP Team Concurrence

COORD. Other Agencies & Locals

CERP Packet submitted for command approval at appropriate level

Project funded on DA3953 or DD1149

Project Execution

Progress PMTS (if justified) based upon MOA & % of work completed

PPO & PA clear CDR, G8 & Finance

Transfer project to appropriate authority for sustainment

Complete Project File

Prepare CERP Package
❑CERP Ltr of Justification
❑ Appropriate authority level endorsement
❑ Coordination Documentation if applicable
❑ Performance Metrics
❑ Proposed MOA + Solicitation Info.
❑ PWS and Bill of Materials
❑ Vendor Performance Inspection/ Oversight Plan
❑ Cost Estimate
❑ DD5577 Appointment/Termination Record for PPO & PA
❑ PPO Appointment Memo
❑ PA Appointment Memo
❑Legal Review
❑ Funding Documents (DA3953 or DD1149)
❑ Vendor bid eval. criteria

Phase I: Pre-Award
❑ Solicit Competition
❑Receive & Evaluate Bids
❑ Write Vendor Selection MFR (fair & reasonable price)
❑ Negotiate Further if Necessary
❑ Prepare final MOA (with PWS & BoM) + SF44
❑ Update CERP File
❑ Issue Vendor Signed MOA
❑End state: Vendor can start work

Phase II: Admin/Oversight
❑ Inspect IAW plan
❑ Modify MOA/PWS if needed
❑Resolve Issues
❑ Final Project Inspection & Acceptance
❑ Vendor Provides Invoice
❑Project Cancellations (if necessary)
❑ End state: Project Completed IAW MOA

Vendor provides invoice for payment

Ktr signs claims release if needed

PA signs SF44 and pays vendor

Conduct Market Research to find Vendors

Seek Legal & Contracting Advice if in doubt

Project Flow for PPO projects less than $500K (PPO threshold may be less within your command)

U.S. Army Contracting Command

PPO Project Identification Actions

- Project development
  - Good military planning
  - Collaborative team effort
  - CERP & COIN principles applied
  - PPO may be involved
  - Coordination w/ other agencies and local governance and influencing bodies

- PPO involvement during project planning
  - Thorough understanding of the project
  - Prepare CERP package for approval
  - Market research with other agencies, contracting office and
  - staff officers (S/G9) to determine potential vendors
  - Develop a solicitation plan
  - ***PWS is the most important document !!!***
  - Start CERP File now!!!!!!!

- End state:
  - Project identified that will benefit local populace
  - CERP approval package prepared for appropriate level approval

Detailed work during this phase makes execution much easier

CERP Package
❑ CERP Ltr of Justification
❑ Appropriate authority level endorsement
❑ Coordination Documentation if applicable
❑ Performance Metrics
❑ Proposed MOA + Solicitation Info.
❑ PWS or Bill of Materials
❑ Vendor Performance Inspection/ Oversight Plan
❑ Cost Estimate
❑ DD5577 Appointment/Termination Record for PPO & PA
❑ PPO Appointment Memo
❑ PA Appointment Memo
❑ Legal Review
❑ Funding Documents (DA3953 or DD1149)
❑ Vendor bid eval. criteria

PPO Market Research

- Used to find potential sources of supply or service and for government estimate for funding

- Although this is a requesting activity responsibility, PPOs should do their own research

- Very few items are truly sole source - - Caution!

- Just because you only know of one source does not mean more aren't out there

- Vendor Sources:
  - Internet search
  - Contact Regional Contracting Center (RCC) for sources: Request for Quote (RFQ); example PWS; historical cost/price data; evaluation criteria
  - Civil Affairs (CA), PSYOP, and PRT's Teams
  - Go into the region and find vendors who want to work with Coalition Forces

PPO Performance Based Work Statement (PWS) Development

- Performance-Based Language.

- The term "PWS" simply refers to the way that we are to structure our services.
- Tells the contractor in a very clear and <u>unambiguous</u> way:
  - WHAT we want but not how to do it
  - WHAT we want the outcome to be, not how to do it
  - WHAT our performance objectives are; and
  - HOW we are going to measure that performance

- Seek assistance from functional and/or contracting staff

- Key points: (What you ask for, not what you want)
  - You set the requirements – contractors cannot read your mind
  - Do not assume anything - be specific and as thorough as possible

.

PPO PWS Development

1. A *Statement* of what you want the *Outcome* to be…not how to do it

   Outcome words include *maintain*, *provide acceptable*, *keep in clean condition*, *proper outcome*, etc.

   Example: "*The Contractor shall*, in designated areas, keep the grass maintained to an overall uniformity of two to three inches high without any skips or resulting debris."

2. A *Measurement* method that states how performance will be measured

   Measurement words include; *Inspect*; *Observe*; *Count*; *Test*; etc.,

   Example: "*The appropriate Government representative will* **inspect** the designated areas for contract performance. Acceptance of work completed will be measured consistent with the Acceptable Quality Level (AQL) below:"

PPO PWS Development

1. A ***Statement*** of what you want the ***Outcome*** to be…not how to do it

   Outcome words include *maintain*, *provide acce_____*, *keep in clean condition*, *proper outcome*, etc.

   Exa_____ _____ keep the grass
   mai_____high without any
   skips_____

   *"Statement of desired Outcome" The **"What but not How-To" test** ! Puts performance risk on the contractor and not on the government.*

2. A ***Measurement*** method that states how performance will be measured

   Measurement words include; *Inspect*; *Observe*; *Count*; *Test*; etc.,

   Example: "***The appropriate Government representative will inspect*** the designated areas for contract performance. Acceptance of work completed will be measured consistent with the Acceptable Quality Level (AQL) below:"

PPO PWS Development

- An ***Acceptable Quality Level*** (AQL) stated as a percentage or quantity. Success or failure words include; *No more than*; *No less than*; *X% correct, etc.* **Example:** *"Successful performance shall be determined in accordance with the following:*

> The **"Pay Day" test!** *Gives the contractor a clear understanding of what it takes to succeed.*

1. Designated areas: 95% of all designated areas mowed and clean.
2. Uniformity: 95% of designated areas 3" to 4" inches or lower.
3. Skips: No more than 2 skips per designated area.
4. Debris removal: No shrubbery trimmings or grass cuttings remaining.

PPO PWS Development

Use the 2 Test Rule To Determine The Quality of These Statements:

Requirement: Using a <u>grass clipping machine </u>(see attached machine specifications), remove <u>all </u>vegetation that extends more than four inches above the horizontal plane on non-paved areas no less than once <u>every fourteen days </u>providing that <u>conditions for such vegetation removal exists according to pre-work conditions as set out in the appropriate attachments herein</u>…….GOOD or BAD? Why?

Requirement: <u>Seasonally</u>, maintain grass <u>between 2" and 4."</u> The appropriate <u>Government employee will observe the work</u> performed. <u>Acceptance requires </u>grass cut in 98% of all designated areas, <u>no more </u>than two skips or ruts per area, and <u>zero remaining</u> grass cuttings or debris……GOOD or BAD? Why?

PPO PWS Development

PWS Writing in 10 Easy Steps!

1. Identify the service object you want the contractor to change

2. State what you want the contractor to do to the object

3. Analyze each service object to identify the object parts that require separate treatment (NO VERBS)…work breakdown analysis

4. Develop performance standards

5. Write and organize the list of service tasks

6. Write the performance requirements summary

7. Write the other sections of the work statement (Scope, References, Deliverables)

8. Prepare a table of contents, if PWS is more than 10 pages

9. Prepare a document cover is PWS is an attachment to contract

10. Publish the PWS

PPO PWS Development

Example: Building Cleaning Service

Step 1. Service Object = Office Building

Step 2. Clean the office building

Step 3. Work Breakdown Analysis….the most important step…

Office Bldg

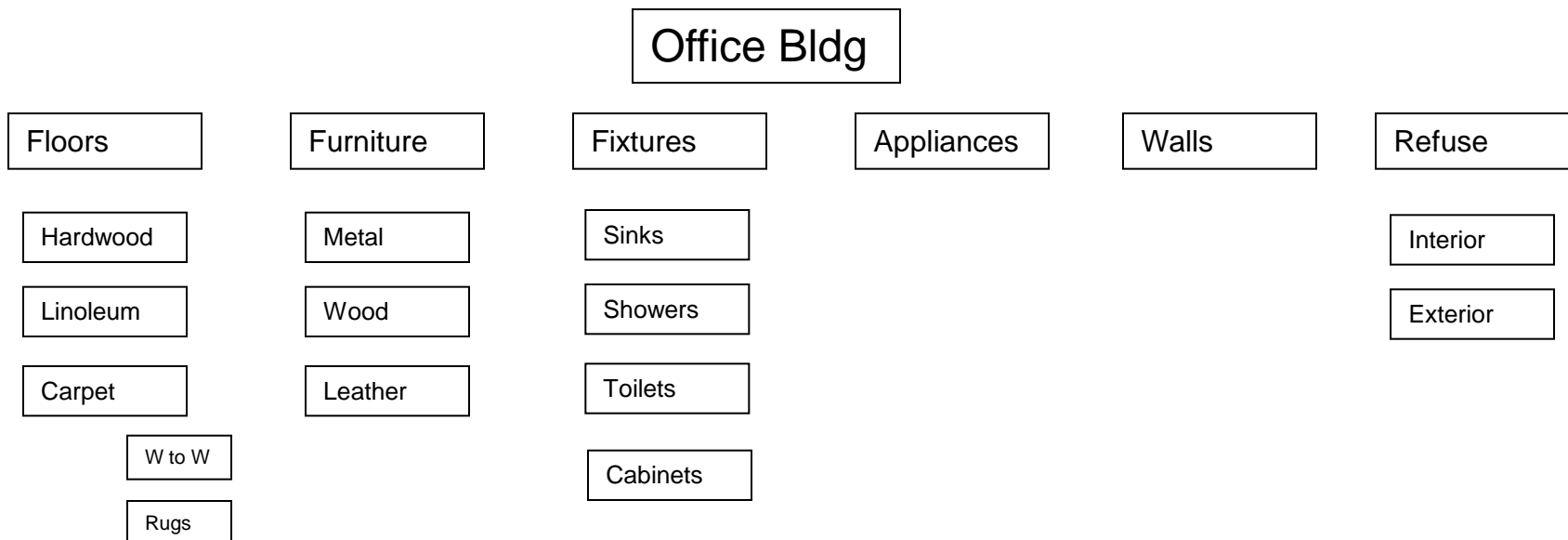| Floors	Furniture	Fixtures	Appliances	Walls	Refuse
Hardwood	Metal	Sinks			Interior
Linoleum	Wood	Showers			Exterior
Carpet	Leather	Toilets			
W to W		Cabinets			
Rugs					

PPO PWS Development

Example: Building Cleaning Service

Step 1. Service Object = Office Building

Step 2. Clean the office building

Step 3. Work Breakdown Analysis….the most important step…

Step 4. Develop a Performance Standard

- using refuse as our object…

The performance standard is met when each wastebasket contains a clean plastic liner and is empty of refuse

So What…Why is this important?

- using the floors as our object…

The performance standard is met when floors are free of all visible dirt and refuse

PPO PWS Development

Example: Refuse Removal Service

Step 5. Write the Task List…

Each task statement begins with a verb and says "Do this to this…"

Two parts:

- Verb describing what the contractor must do

- Noun phrase describing the service object

Empty waste baskets daily

Line waste baskets with plastic daily

Dust furniture and fixtures daily

Clean HW Floors daily

Clean Linoleum Floors daily

Vacuum Carpet daily

Clean showers daily

Clean sinks daily

Clean toilets daily….

PPO PWS Development

Step 5. Write the Task List…

Step 6. Write the Performance Requirements Summary

Task #	Task Desc	Perf Indicator	Req Perf Meas
3.1	Clean floors daily	State of Cleanliness	Free of all visible dirt and refuse
3.2	Empty waste bskts daily	Contents	Each must have clean plastic liner and be empty of refuse

PPO PWS Development

Step 7. Write the Scope, References, and Deliverables

Step 8. Prepare a Table of Contents, if PWS is more than 10 pages

Step 9. Prepare a document cover if PWS is an attachment to the contract

Step 10. Staff the PWS IAW with command policy

When in doubt – consult your local contracting support unit.

U.S. Army Contracting Command

PPO Solicitation Information

- Proposed Elements:
  - Small paragraph that answers:
    - WHO the work is being done for
    - WHEN work is to take place
    - WHERE work is to be performed
    - WHY the work is being done

    Taken from PWS

  - What format proposal should be in & specific items needed
    - Proposed labor costs & # of laborers
    - Proposed material and cost

    Recommend PPO provides the format

  - Deadline for submission
  - POC for questions or clarifications
  - Special provisions
    - Excusable delays
    - Payment schedule(s)
    - Electrical and structural building codes
    - Changes to work
    - Permits & responsibilities
    - Cleaning up after work
    - Project cancellations

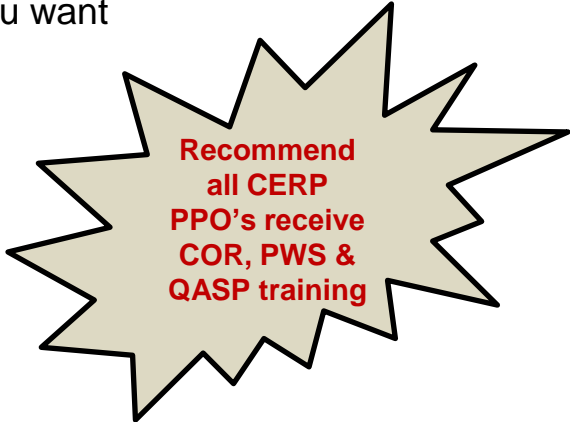   To be incorporated into MOA

U.S. Army Contracting Command

PPO Vendor Performance Inspection/Oversight Plan

- Proposed Elements:
    - This is your plan on how to ensure the contactor is giving you what you want
    - No requirement for a written product, however highly encouraged
    - **_WHO_** Should do the inspection? - Subject Matter Experts (Engineers)
    - **_WHAT_** are the key items you need to inspect?
    - **_WHEN_** do you need to inspect during the project?
        - Depth of molds before pouring concrete
        - Color of paint before painting
        - Material or part prior to installation
    - **_WHERE_** are the key points to inspect in the entire project?
        - 1 mile water pipeline, do you inspect every weld or sample or at the key welds?
    - **_HOW_** are you going to inspect the project?
        - Do you need assistance
        - How long will inspections take
- If the project is too complex for your skill level seek assistance from the contracting office, COE, technical experts.

Recommend all CERP PPO's receive COR, PWS & QASP training

U.S. Army Contracting Command

PPO Project Approval Actions

• PPO involvement during project approval

- Continue market research if needed

- Continue developing solicitation plan if needed

- Track status of project approval chain

• End state:

- Project approved by appropriate authority

- CERP approval package forwarded to comptroller for funding

U.S. Army Contracting Command

PPO Project Funding Actions

- PPO involvement during project approval
  - Continue market research if needed
  - Continue developing solicitation plan if needed
  - Track status of project funding w/ comptroller
- End state:
  - Project funded on DA3953 or DD1149
  - PPO ready to execute project execution

U.S. Army Contracting Command

PPO Project Execution Actions

- PPO must stay involved during project execution

- Keep chain of command informed of all your projects

- 2 Phases of Project Execution:

<u>Phase I: Pre-Award</u>
- ❑ Solicit Competition
  - 3+ Vendors advantageous
  - Single Vendor → Compelling Reason
- ❑ Receive & Evaluate Bids
- ❑ Write Vendor Selection MFR
- ❑ Negotiate Further if Necessary
- ❑ Prepare final MOA + SF44
- ❑ Update CERP File
- ❑ Issue Vendor Signed MOA
  - Both parties sign
- ❑ End state:
  - Vendor can start work

<u>Phase II: Admin/Oversight</u>
- ❑ Inspect IAW plan
- ❑ Modify MOA/PWS if needed
  - Changes can mean more $
  - Get contractor agreement on mods
- ❑ Resolve Issues promptly and fairly
- ❑ Final Project Inspection & Acceptance
- ❑ Vendor Provides Invoice
- ❑ PPO authorizes PA to sign SF44 and dispurse funds to the vendor
- ❑ Special Cases
  - Project Cancellations
  - Unforseeable events that impact contractor performance
- ❑ End state:
  - Project Completed IAW MOA/SOW
  - Close out the PPO project file

PPO Checking Excluded Parties List System

- PPO should include verification that the vendor is not on the excluded parties list (prior to award) in the project file

- Check if contractor blacklisted for illegal/terrorist activity or poor performance

- http://www.epls.gov/

- EPLS may not have current list of overseas vendors.

- Local RCC will maintain a list of authorized vendors

  - Past performance standards

  - Known associations

U.S. Army Contracting Command

PPO Vendor Selection MFR

- Proposed Elements:
  - What vendors you contacted, When you contacted them, How you contacted them
  - What vendors responded
  - What vendor you selected and why you selected them
    - What evaluation criteria did you establish?
    - Employs local labor?
    - Utilizes local small business?
    - Experience or past perfromance w/ doing work?
    - Does not have to be the lowest price
    - Needs to provide the best value to the Government, and determine that the price is fair and reasonable
- 3 vendor proposal(s) does not necessarily constitute fair and reasonable price. Compare all the variables

Tell the Story

CERP Project: Easy Street Trash Removal				
Vendor(s)	Mel's Diner	Sanford & Son	Cheers X	ABC Company X
Proposed Cost	$400,000	$410,000	$550,000	No Response
Employs Local Labor	Yes	Yes	No	No Response
Local Business	Yes	Yes	No	No Response
Experience	No	Yes	No	No Response

U.S. Army Contracting Command

PPO MOA Information

- Proposed Elements:
  - Name of Vendor w/ contact information:
  - Attach PWS
  - Specify when work is to take place
  - Specify price
  - Special clauses
    - Excusable delays
    - Payment schedule(s)
    - Electrical and structural building codes
    - Changes to work
    - Permits & responsibilities
    - Cleaning up after work
    - Project cancellations
  - PPO's contact information
  - Fill out the SF44
  - Once PPO and vendor signs the MOA this is a contract!!!

PPO Sample SF44

U.S. GOVERNMENT
PURCHASE ORDER-INVOICE-VOUCHER

DATE OF ORDER *Date Prepared*	ORDER NO *DODAC-RN-0001*

increment by one for each SF44 (no voids)

PRINT NAME AND ADDRESS OF SELLER (Number, Street, City, and State)*

P A Y E E — *Vendor/Seller's name and address*

FURNISH SUPPLIES OR SERVICES TO (Name and address)*
Purchasing unit's name and address

SUPPLIES OR SERVICES	QUANTITY	UNIT PRICE	AMOUNT
List of all items ordered	QTY	Unit $	$ Total
Use continuation sheet if necessary			
Exchange rate: XX Local $$ = $1 U.S.			

Amounts should be listed in the applicable currency terms Foreign Currency or US

Paying Agent ensures totals

AGENCY NAME AND BILLING ADDRESS * *Finance Office name and address*	TOTAL $4.60
	DISCOUNT TERMS ....% ... .DAYS
	DATE INVOICE RECEIVED

P A Y O R

Foreign Currency or US
If applicable

ORDERED BY (Signature and title)
PPO's signature and title

PURPOSE AND ACCCOUNTING DATA
From PR&C

PURCHASER- To sign below for over-the-counter delivery of items

RECEIVED BY *Authorized Receiver Signature (PA)*

TITLE	DATE *date rec*

SELLER- Please read instructions on Copy 2

☐ PAYMENT RECEIVED $.................................. ☐ PAYMENT REQUESTED $................................

amount of payment

NO FURTHER INVOICE NEED BE SUBMITTED

SELLER BY..... *vendor signature* . ... (Signature)	DATE *date sold*

If vendor refuses, or is unable to sign, the PPO and PA must draft and sign a memorandum for record and attach it to the SF44

I certify that this account is correct and proper for payment in the amount of $.............................. *Paying Agent Signature* (Authorized certifying officer)	DIFFERENCES
	ACCOUNT VERFIED CORRECT FOR BY...

List the applicable value

PAID BY OR................................. (Check No)	X☐ CASH	DATE PAID	VOUCHER NO

• Always get a receipt or invoice indicating payment has been made

• Ask the vendor to sign – be aware that some vendors may not able to read or write and they may not admit it due to cultural issues

PPO Sample Ledger

LEDGER OF SF44'S PAYMENTS AND EXTRACT OF DD FORM 1057 REPORT

MAJ WIZNER
1/1 AD

PIIN:	DATE:	VENDOR:	COMMODITY:	PR&C START: $ 72,000.00 AMOUNT:	REMAINING:
W27P4G-05-JI-0001	1-Jan-06	SERKA	PROGRESS PAYMENT	$ 14,000.00	$ 58,000.00
W27P4G-05-JI-0002	12-Jan-06	SERKA	PROGRESS PAYMENT	$ 14,000.00	$ 44,000.00
W27P4G-05-JI-0003	17-Jan-06	SERKE	PROGRESS PAYMENT	$ 28,000.00	$ 16,000.00
W27P4G-05-JI-0004	30-Jan-06	SERKA	PROGRESS PAYMENT	$ 16,000.00	$ -
				$ -	$ -
				$ -	#REF!
				$ -	#REF!
				$ -	#REF!
				$ -	#REF!
				$ -	#REF!
			GRAND TOTAL	$ 72,000.00	

SF 44 BOOKLET TOTAL

VALUE OF AWARD	TOTAL ACTIONS	TOTAL DOLLARS
$0.00 TO $1,000.00	0	$0.00
$1,001.00 TO $2,500.00	0	$0.00
GRAND TOTAL		$0.00

"I have reviewed all payments made by the PPO MAJ Wizner from 1 JAN 06 to 31 JAN 06 for CERP PROJECT 12345. All payments were IAW the MOA payment plan and within the a=limits of his authority. The CERP project is complete, satisfacoty, and vendor has been paid."

JOHN M. SCOTT
COL, AR
Commanding

PPO Project Cancellation Actions

- 2 reasons for cancellation:
  - Cancelling work due to Contractor default (Contractor Default)
    - Written notice to contractor and signed by contractor
    - Observed deficiencies
    - Necessary corrective actions and date/time to be implemented by
    - Actions to be taken if corrective action not implemented
  - Cancelling work with no fault by the Contractor (Gov't Convienence)
    - Written notice to stop work immediately and place no further material or services on order. This notice should be signed by the contractor
    - Agree upon the amount to be paid or remaining to be paid because of the cancellation, have contractor sign
    - Agreed upon amount may include a reasonable allowance of profit
- If you cancel for Gov't convience you need to negotiate a settlement with the vendor
  - Negotiate a fair and reasonable settlement for the vendor's valid termination costs
  - Document the settlement properly and obtain contractor's signature acknowledging the settlement terms
- Contact your legal counsel and KO for guidance immediately if you face this situation!

U.S. Army Contracting Command

PPO Project Payment Actions

• Evaluate the contractor's work or inspect a delivered quantity before even considering authorizing the PA to make payments

▪ Always be conservative and consider the Government's best interest

▪ Money = "the carrot on the stick"

▪ Ensure contractor corrects any deficiencies, poor workmanship, or work not meeting PWS requirements prior to payment

▪ PPO accompanies PA from payment to clearing for a smooth process

• Progress Payment(s)

▪ If payment plan is part of the MOA then hold contractor to the MOA payment terms. They may ask for earlier payments, but you should stick to the agreement.

▪ May authorize based upon percentage of work completed

▪ No "start up" payments are authorized

▪ PA should use Ledger Format for Tracking Each Projects Payments

• End state:

▪ Vendor paid in full by the PA

U.S. Army Contracting Command

PPO Project Closure Actions

• PPO & PA clear Commander, finance & comptroller together by submitting:

- ▪ Remaining money
- ▪ Completed SF 44s
- ▪ Invoices
- ▪ Claims release if needed
- ▪ Completed CERP project file
- ▪ Unused SF 44s

• End state:

- ▪ CERP project closed out
- ▪ CERP project successfully handed over to local governance
- ▪ *Maintain copies of <u>everything</u> for your records!*

CERP Projects above the Theater PPO Threshold

KO Awarded Contract

• Threshold is normally 500,000, but can be lowered by command policy. Warranted KO handles the CERP contract above the PPO threshold. Coordinate early with the KO.

• KO will use an SF 119 or SF 1442 to award the contract.

• Formal contract that only KO can modify

• Unit nominates COR and KO appoints

• COR provide contract oversight on behalf of the KO

• COR receives training given by the KO/ACC.

• COR can be the PPO if the PPO has sufficient time and qualifications to conduct the required oversight

• COR/PPO - Do nothing to impact cost, schedule or performance – always work with the KO

PPO Keys to Success

- Understand the CERP process
- Understand the project intent
- Upfront effort on building the CERP packet pays big dividends later
- Great PWS + good communication/oversight = Great Project
- Have a plan to solicit and evaluate
- Compete the project fairly to get a reasonable price
- Have a plan to inspect the contractor (QASP)
- Ask legal and contracting if you have any questions
- Develop an inspection checklist for final inspections
- Take photographs during final inspection
- Keep the chain of command informed
- Maintain your ethics
- Maintain a positive relationship with vendors
- ***Attend ACC COR, PWS & QASP training!!!!***

Questions

On the Additional PPO CERP Training?

A check on learning…
PPO Test Time!

Test (1 of 4)

1. (Multiple Choice) What does PPO stand for?
a. Procurement Personnel Officer
b. Population Procurement Officer
c. Project Purchasing Officer
d. Payment Procurement Officer

2. (Multiple Choice) How many signatures are required on the SF44?
a. Two
b. Three
c. Four
d. One

3. (True / False) The PPO is appointed by BN/BDE commander and trained by the contracting office.

4. (True / False) PPOs are always authorized to execute projects costing less than $500,000.

Test (2 of 4)

4. (Multiple Choice) What is the normal theater funding threshold for a project purchasing officer?

     a. $500,000

     b. $350, 000

     c. $100,000

     d. $400,000

5. (True / False) For technical projects, the PPO should consult with the United States Army Corps of Engineers (USACE).

6. (True / False) Advance payments are highly encouraged.

7. (True / False) Insurgent forces target contractors who do business with the U. S. Government and coalition allies. Disclosure of company names identifies these firms as doing business with the U. S. Government. This places the lives of the companies' employees and their families at risk.

Test (3 of 4)

8. (True / False) PPO has the authority to make changes to contracts above 500K.

9. (True / False) Competition is key in attaining fair and reasonable pricing.

10. (True / False) The PPO may withdraw funds from finance in order to pay the vendor.

11. (True/False) Can you terminate your CERP project with the selected vendor if the project requirement is no longer valid?
    a. No, the vendor will never agree to not getting paid in full
    b. Yes, and just tell the vendor that your sorry they won't get any money
    c. No, it is not authorized because it would cause bad PR
    d. Yes, as long as you negotiate a reasonable settlement with the vendor for valid termination costs

Test (4 of 4)

12. (True / False) Using CERP funds for payments to Iraqi Army guards to provide security at your CERP construction project is authorized.

13. (True / False) Dispose of your SF44s in the local waste container when you are finished with your PPO duties.

14. (True / False) Complete your CERP project MOA and SF44 right before you clear your CERP project packet with the Commander & finance.

15. What should you do if the proposed CERP project estimate is $750,000?
    a. Split the project into two separate requirements so it will be easier
    b. Coordinate with the local contracting office, submit the complete packet to the approval authority and let the KO award the contract if approved
    c. Tell your CoC that CERP is only for projects under $500,000
    d. Get the vendor to agree to $499,000 and pay him the rest on the side.

Test Answers (1 of 4)

1. (Multiple Choice) What does PPO stand for?
a. Procurement Personnel Officer
b. Population Procurement Officer
c. Project Purchasing Officer   (slide 20)
d. Payment Procurement Officer

2. (Multiple Choice) How many signatures are required on the SF44?
a. Two
b. Three
c. Four (PPO, Vendor, Receiver/PA, PA)   (slide 60, 64)
d. One

3. (**True** / False) The PPO is appointed by BN/BDE commander and trained by the contracting office. (slide 20)

4. (True / **False**) PPOs are always authorized to execute projects costing less than $500,000. (slide 21) **Thresholds can be lowered by command policy.**

U.S. Army Contracting Command

5. (Multiple Choice) What is the normal theater funding threshold for a PPO?
    a. $500,000   (slide 16,21,69)
    b. $350, 000
    c. $100,000
    d. $400,000

6. (**True** / False) For extremely technical projects, the PPO should consult with or turn the project over to the Corps of Engineers (COE), the contracting office or another technical expert.   (Slide 20)

7. (True / **False**) Advance payments are highly encouraged. **Per MAAWS B-1-8 – Advance payments are prohibited.**   (slide 20)

8. (**True** / False) Insurgent forces target contractors who do business with the U. S. Government and coalition allies. Disclosure of company names identifies these firms as doing business with the U. S. Government. This places the lives of the companies' employees and their families at risk.   (slide 41)

Test Answers (3 of 4)

9. (True / **False**) PPO has the authority to make changes to contracts above $500K. (Slide 21, 69) **Only a warrented KO can modify a contract issued by the contracting office.**

10. (**True** / False) Competition is a key element in attaining a fair and reasonable price for the project. (Slide 70)

11. (True / **False**) The PPO may withdraw funds from finance in order to pay the vendor. (slide 21)

12. (True/False) Can you terminate your CERP project with the selected vendor if the project requirement is no longer valid?
    a. No, the vendor will never agree to not getting paid in full.
    b. Yes, and just tell the vendor that your sorry they won't get any money.
    c. No, it is not authorized because it would cause bad PR.
    d. Yes, as long as you negotiate a reasonable settlement with the vendor for valid termination costs. (slide 66)

Test Answers (4 of 4)

13. (True / **False**) Using CERP funds for payments to Iraqi Army guards to provide security at your CERP construction project is authorized. (Slide 21)

14. (True / **False**) Dispose of your SF44s in the local waste container when you are finished with your PPO duties. (slide 39,68)

15. (True / **False**) Complete your CERP project MOA and SF44 right before you clear your CERP project packet with the Commander & finance. (slide 60,63)

16. What should you do if the proposed CERP project estimate is $750,000?
    a. Split the project into two separate requirements so it will be easier.
    b. Coordinate with the local contracting office, submit the complete packet to the approval authority, and let the KO award the contract if approved.
    c. Tell your CoC that CERP is only for projects under $500,000.
    d. Get the vendor to agree to $499,000 and pay him the rest on the side. (slide 69)
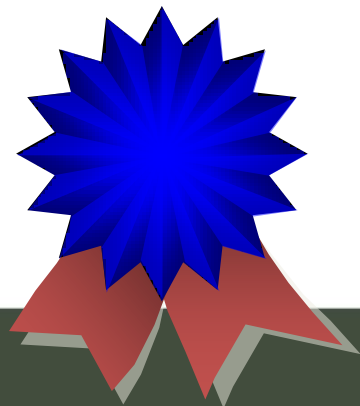
ACC   CERP   PPO
Certificate   of   Training

is hereby awarded to:

CPT Richard Brown

for successful completion of the ACC CERP PPO Training Course and all other HQDA mandatory PPO Training elements.

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MAJ John P. Smith, Contracting Officer
412th Contracting Support Brigade
March xx, 2010